BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKE	Г NO. 2	007-402-C
In the Matter of)	
)	
Application of HTC)	
Communications, LLC)	MOTION FOR APPROVAL
For Designation as an Eligible)	OF SETTLEMENT
Telecommunications Carrier Pursuant)	AGREEMENT
to Section 241(e)(2) of the)	
Communications Act of 1934)	

HTC Communications, LLC ("HTCC"), and the Office of Regulatory Staff hereby file this motion for approval of a settlement in the above captioned proceeding. In support of the motion, HTCC and ORS provide the following information:

- 1. On November 8, 2007, HTCC filed an Application requesting designation as an Eligible Telecommunications Carrier pursuant to Section 241(e)(2) of the Communications Act of 1934. ORS is a party of record in this proceeding pursuant to S.C. Code Ann. § 54-4-10. No other parties petitioned to intervene in this docket.
- On January 11, 2008, the Commission filed proposed regulation 103-690.1 with the South Carolina Legislative Council regarding Annual Reporting Requirements for Designated Eligible Telecommunications Carriers.
- 3. HTCC filed direct testimony in accordance with the schedule established by the Commission in this proceeding.
- 4. After negotiations concerning certain issues, HTCC has determined that its interests, would be best served by stipulating to a settlement on certain issues with ORS regarding HTCC's Application in this docket. The Settlement is consistent with applicable state and federal laws and is attached hereto as Exhibit A. The basis and rationale for the Settlement

is to reflect HTCC's agreement to abide by the Commission's Proposed Regulation 103-690.1, when that becomes final, and to clarify certain aspects of HTCC's Application. Because these issues are straightforward, no further testimony is filed herewith; however, witnesses for HTCC will be available at the hearing to testify regarding this matter.

5. Currently, the hearing in this matter is scheduled for February 28, 2008. HTCC and ORS request that the Commission commence the hearing as scheduled and that they be allowed to publish a summary of the proposed settlement at the outset of the hearing.

6. HTCC and ORS further move the Commission to approve the Settlement Agreement.

WHEREFORE, HTCC and ORS respectfully request that the Commission allow the hearing procedures requested herein and issue an Order approving the Settlement as just, fair and reasonable.

WE SO MOVE:

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WE SO MOVE:

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Columbia, South Carolina February 15, 2008

EXHIBIT A

BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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DOCKET NO. 2007-402-C			
In the Matter of)		
)		
Application of HTC)		
Communications, LLC) SETTLEMENT AGREEMENT		
for Designation as an Eligible)		
Telecommunications Carrier Pursuant)		
to Section 241(e)(2) of the)		
Communications Act of 1934)		

This Settlement Agreement (the "Settlement Agreement") is made by and between the South Carolina Office of Regulatory Staff ("ORS"), and HTC Communications, LLC ("HTCC"), (collectively referred to herein as the "Parties," or individually as a "Party").

RECITALS

WHEREAS, the above captioned docket has been established by the South Carolina Public Service Commission (the "Commission"), on application of HTCC for designation as an Eligible Telecommunications Carrier. Other than ORS and HTCC, there are no other parties to this proceeding, and therefore, there are no other parties to the proceeding that are not also parties to this Settlement Agreement.

WHEREAS, the parties have engaged in discussions to determine if a settlement of the issues would be in their best interests;

NOW THEREFORE, following these discussions, the Parties have determined that their interests and the public interest would be best served by settling all issues pending in the above captioned matter under the terms and conditions set forth below:

AGREEMENT

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- 1. The Parties agree to support this Settlement Agreement with evidence to be submitted to the Commission before, and during the hearing in this matter. To the extent that any previously submitted pre-filed testimony of HTCC is inconsistent with the terms of this Settlement Agreement, HTCC agrees that this Settlement Agreement, and HTCC's commitments herein, shall operate to amend and supplement that testimony, such that it supports this Settlement Agreement in all respects.
- 2. As a compromise to this matter, the Parties hereto agree to the terms set out immediately below, and these terms are hereby adopted, accepted, and acknowledged as the agreement of the Parties. The Parties agree that:
- 3. Based on newly revised calculations, HTCC expects to receive approximately \$1.2 million in federal universal support per year in the first two years following designation as an Eligible Telecommunications Carrier, in the event that its present application is granted by the Commission.
- 4. ETC designation and the receipt of universal service funds will allow HTCC to expand its network and provide service to areas where the existing network does not currently provide service, and to provide improved coverage consistency in other portions of its territory that currently have some level of existing coverage. Without universal service support, HTCC will not be able to construct the proposed new sites identified in its network improvement plan because current market conditions simply do not warrant any additional investment by HTCC in those areas.
- 5. HTCC has submitted a two-year, confidential Network Improvement Plan in support of its application for ETC designation. To the extent that the proposed budget included in HTCC's Plan differs in any material aspects from the amount of universal service support that

HTCC expects to receive based on those newly revised calculations, HTCC will ensure that such funds are utilized on eligible projects and supported services by:

- a. accelerating the projected construction time line included in its
 network improvement plan to address more projects during the first two
 years of the plan; or
- adding additional projects to the Network Improvement Plan, as needed;
 and/or
- c. utilizing the funds to support the provision of supported services, including, but not limited to, a new wireless unlimited local service calling service plan set forth below.
- 6. HTCC's Network Improvement Plan proposes to construct multiple new cell sites designed to provide service to areas where HTCC's existing network does not currently provide service, and to provide improved coverage consistency in other portions of HTCC's territory where the current network provides some level of existing coverage. The location of these proposed new cell sites were selected after many factors were considered, including expected future development, customer complaints regarding current service, existing network coverage, and additional network coverage that is expected to be realized by the addition of these new cell sites.
- 7. The budged costs for the proposed new cell sites in HTCC's Network Improvement Plan, do not include costs associated with equipment to deliver broadband type services. Accordingly, in the event HTCC's current application is granted, HTCC will not utilize any universal service funds for the provision of broadband type services.
 - 8. If HTCC's application for ETC designation is granted, it will develop and offer

a wireless service plan that includes unlimited local calling in a manner and price that is the same as what is offered by the incumbent LEC in the service areas where it seeks designation, including its parent company, Horry Telephone.

- 9. HTCC commits to offer Lifeline service in the designated service area to all qualifying low-income customers in accordance with the Commission's proposed Regulation 103.690.1 as follows:
 - a. HTCC will advertise the availability of Lifeline service in a manner designed to reach those likely to qualify for the service;
 - b. HTCC will offer toll limitation at no extra charge to qualifying customers at the time they subscribe to Lifeline service;
 - c. HTCC will waive any service deposit requirement for customers initiating

 Lifeline service;
 - d. HTCC will verify, on an annual basis, that its Lifeline customers remain qualified for the program;
 - e. HTCC will give Lifeline subscribers 60 days notice before terminating their service if HTCC has a reasonable basis to believe that the subscriber is no longer qualified to receive Lifeline services;
 - f. HTCC will not charge Lifeline subscribers a monthly number portability charge.
- 10. HTCC will offer Link Up service in its designated area to all qualifying customers in accordance with the Commission's proposed Regulation 103.690.1 as follows:
 - a. HTCC will advertise the availability of Link Up service in a manner designed to reach those likely to qualify for the service;

- b. HTCC will provide a reduction of the customary charge for a single, initial
 wireless service connection that conforms to federal regulations governing
 Link Up.
- 11. The Parties agree to cooperate in good faith in recommending to the Commission that this Settlement Agreement be accepted and approved by the Commission as a fair, reasonable and full resolution of all issues currently pending in the above-captioned proceeding. The parties agree to use reasonable efforts to defend and support any Commission Order issued approving this Settlement Agreement and the terms and conditions contained herein.
- 12. The written Settlement Agreement contains the complete agreement between the Parties. The Parties further agree that by signing this Settlement Agreement, it will not constrain, inhibit, or impair any arguments or positions in future proceedings. If the Commission declines to approve this Settlement Agreement in its entirety, then any Party desiring to do so may withdraw from the Settlement Agreement without penalty, within five days of receiving notice of the decision, by providing written notice of withdrawal via electronic mail to legal counsel for all parties.
- 13. This Settlement Agreement shall be effective upon execution by the Parties and shall be interpreted according to South Carolina law.
- 14. This Settlement Agreement shall bind and inure to the benefit of each of the Parties and their representatives, successors, assigns, agents, shareholders, officers, directors, subsidiaries, affiliates, parent corporations, administrators, trustees and attorneys.
- 15. The above terms and conditions fully represent the agreement of the Parties hereto, and, therefore, each Party acknowledges its consent and agreement to this Settlement Agreement by authorizing its respective counsel to affix his or her signature to this document

where indicated below. Counsel's signature represents his or her representation that his or her client has authorized execution of the Settlement Agreement. Facsimile or electronic signatures shall be as effective as original signatures and shall likewise bind any Party. This document may be signed in counterparts, with the various signature pages combined with the body of the document constituting an original and provable copy of this Settlement Agreement.

(SIGNATURE PAGES FOLLOW)



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